

Message Text

CONFIDENTIAL

PAGE 01 GENEVA 05552 141030Z

12

ACTION L-03

INFO OCT-01 EUR-12 IO-13 ISO-00 EB-07 SS-15 SP-02 NSC-05

CIAE-00 INR-07 NSAE-00 TRSE-00 AF-08 ARA-06 EA-07

NEA-10 PRS-01 OIC-02 /099 W
----- 005361

P R 141000Z JUL 76

FM USMISSION GENEVA

TO SECSTATE WASHDC PRIORITY 1141

INFO USMISSION USUN NEW YORK

USMISSION OECD PARIS

USMISSION EC BRUSSELS

C O N F I D E N T I A L GENEVA 5552

FOR FELDMAN (L), BOEKER (EB) AND WYMAN (IO/CMD)

E.O. 11652: GDS

TAGS: ECOSOC, EGEN, EFIN

SUBJECT: 61ST ECOSOC -- US PROPOSAL ON PAYMENTS

REF: GENEVA 5481

1. AT EC-9 DELEGATION MEETING JULY 13, ITALY AND NETHERLANDS (OBSERVER) SPOKE IN FAVOR OF US DRAFT RESOLUTION, FRG NOT INSTRUCTED BUT DESCRIBED AS "NOT BEING POSITIVE", AND FRENCH OBJECTED TO ENDORSING THE PREPARATION OF AN INTERNATIONAL AGREEMENT. EC-9 TOOK NO FINAL POSITION AT THIS MORNING'S MEETING BUT AGREED TO ASK US (1) WHETHER THE MANDATE OF THE WORKING GROUP COULD BE STATED IN TERMS OF STUDYING POSSIBLE WAYS OF COMBATING ILLICIT PAYMENTS INCLUDING THE OPTION OF AN INTERNATIONAL AGREEMENT, AND (2) WHETHER THE CENTRE OF TRANSNATIONAL CORPORATIONS RATHER THAN ECOSOC MIGHT NOT BE THE APPROPRIATE ORGAN UNDER WHICH TO ORGANIZE THE WORKING GROUP.

2. LATIN AMERICAN GROUP IS TO CAUCUS SOON TO CONSIDER
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 GENEVA 05552 141030Z

OUR DRAFT. COLOMBIAN REP IN A TALK WITH US REITERATED HIS

SUPPORT FOR THE RESOLUTION AND SAID THAT CO-SPONSORSHIP WOULD DEPEND ON WHETHER WE ARE PREPARED TO CONSIDER AMENDMENTS (UNSPECIFIED). ARGENTINIAN REP TOLD US THAT HE WAS REASONABLY FAVORABLE TO OUR DRAFT BUT FELT THAT THE MANDATE OF THE WORKING GROUP SHOULD BE TO STUDY ALL POSSIBILITIES. THEY BOTH EMPHASIZED THE IMPORTANCE OF OUR ASSURING THE G-77 THAT THE PROPOSED CONVENTION WAS NOT DESIGNED TO DETRACT FROM WORK ON A GENERAL CODE OF CONDUCT. THE LOCAL BRAZILIAN REP EXPLAINED TO A DELEGATION OFFICER THAT THE GOB'S CONCERN WAS BASED ON THE EXISTENCE OF SOME 10 PARASTATAL COMPANIES WHICH IN ADDITION TO ACCOUNTING FOR A VERY SIGNIFICANT PORTION OF THE BRAZILIAN GNP HAD TRANSNATIONAL OPERATIONS. THE GOB FEARS THAT OUR PROPOSED INTERNATIONAL AGREEMENT WOULD OPEN THE POSSIBILITY OF THE GOB BEING PUT INTO THE POSITION OF PROSECUTING ITSELF. HE HAS AGREED TO ASK THE GOB TO RECONSIDER ITS POSITION AND, IN THE MEANTIME, TO TAKE NO ACTION IN GENEVA. SEVERAL OTHER LA DELEGATIONS HAVE INDICATED THAT THEIR INSTRUCTIONS ARE GENERALLY FAVORABLE WITH THE CAVEAT THAT THEY MAINTAIN LA UNITY ON THIS ISSUE. WE HAVE NOT BEEN ABLE TO CONTACT THE MEXICAN REP AS YET AND THE POSITION OF CUBA IS UNKNOWN.

3. JAPANESE REP HAS STATED THAT THE GOJ POSITION IS STILL UNDER CONSIDERATION. HE EXPRESSED SERIOUS CONCERN THAT OUT OPTING FOR A LEGALLY BINDING AGREEMENT IN THIS AREA MIGHT ESTABLISH A DANGEROUS PRECEDENT WITH REGARD TO THE GENERAL CODE OF CONDUCT, TECHNOLOGICAL TRANSFERS, ETC.

4. THE EGYPTIAN REP IN A TALK WITH US EXPRESSED CAUTIOUS SUPPORT FOR THE RESOLUTION BUT WOULD MAKE NO COMMITMENT ON POSSIBLE CO-SPONSORING. SPEAKING GENERALLY, HE SAID THAT OUR MAIN JOB WOULD BE TO REASSURE THE G-77 THAT OUR PROPOSAL WOULD NOT DETRACT FROM WORK OF A CODE OF CONDUCT. TUNISIAN REP EXPRESSED SUPPORT IN PRINCIPLE BUT WANTED TO STUDY THE ACTUAL TEXT BEFORE MAKING A COMMITMENT.

5. KENYAN REP HAS RECEIVED INSTRUCTIONS TO SUPPORT OUR DRAFT RESOLUTION WITHIN THE CONTEXT OF G-77 UNITY. YUGOSLAV AND AUSTRALIAN REPS ARE UNINSTRUCTED BUT, AT OUR REQUEST, ARE STUDYING THE DRAFT.
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 GENEVA 05552 141030Z

6. BOTH PAKISTANI AND IRANIAN REPS ARE GENERALLY FAVORABLE AND HAVE OFFERED TO BE OF ASSISTANCE. THEY BOTH INDICATED, HOWEVER, THAT THEY WANTED TO THINK ABOUT THE PROPOSED MANDATE OF THE WORKING GROUP. THEY HAVE PROPOSED -- AND WE AGREED -- TO TAKE THE INITIATIVE IN CONVENING AN INFORMAL GROUP OF INTERESTED COUNTRIES TO DISCUSS OUR DRAFT.

6. COMMENT: CRITICAL TO GETTING FAVORABLE CONSIDERATION FOR OUR PROPOSED RESOLUTION IS NEUTRALIZING OPPOSITION FIRST WITHIN REGIONAL GROUPS (E.G., THE LATIN AMERICAN GROUP) AND SUBSEQUENTLY IN THE G-77 AS A WHOLE. MEXICO AND CUBA COULD TURN OUT TO BE OUR MAJOR OBSTACLES IN THIS REGARD. SEVERAL POINTS HAVE COME OUT IN OUR TALKS SO FAR WHICH MIGHT HELP IN THIS OVERALL EFFORT:

(A) IT IS ABSOLUTELY ESSENTIAL TO MAKE CLEAR THAT OUR PROPOSED INTERNATIONAL AGREEMENT IS NOT IN ANY WAY INTENDED TO DETRACT FROM THE PREPARATION OF A TNC CODE OF CONDUCT (IT IS OUR UNDERSTANDING THAT THE TWO EXERCISES ARE NOT RELATED AND WE MAY WISH TO CONSIDER THE ADDITION OF A PREAMBULAR PARAGRAPH IN THE RESOLUTION TO MAKE THIS EXPLICIT); AND

(B) CHANCES OF GETTING ADDITIONAL CO-SPONSORS OR, FOR THAT MATTER, OBTAINING FINAL APPROVAL WOULD BE GREATLY IMPROVED IF THE MANDATE FOR THE COMMISSION WERE PHRASED IN TERMS OF CONSIDERING EFFECTIVE WAYS OF COMBATING ILLICIT PAYMENTS, INCLUDING CONSIDERATION OF AN INTERNATIONAL AGREEMENT, AS ONE OPTION. WE SHALL FIRST TRY TO SEEL PRESENT POSITION, HOWEVER, BEFORE RECOMMENDING ANY CHANGE. DALE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, AGREEMENTS, BRIBERY, MEETINGS, RESOLUTIONS, MULTINATIONAL ORGANIZATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976GENEVA05552
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760271-1180
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760760/aaaacayu.tel
Line Count: 137
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION L
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 GENEVA 5481
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 06 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <06 APR 2004 by BoyleJA>; APPROVED <04 AUG 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: 61ST ECOSOC -- US PROPOSAL ON PAYMENTS
TAGS: EGEN, EFIN, US, ECOSOC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006